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STATEMENT OF AT&T CONNECTICUT

Regarding House Bill 5328 An Act Concerning Utility Customer Service Complaints Before the Committee on Energy and Technology February 26, 2008

Proposal:

House Bill No. 5328 would transfer responsibilities for answering customer complaints from the Department of Public Utility Control (DPUC) to the Office of Consumer Counsel (OCC) and eliminate the sunset on the requirement for complaints from wireless customers to continue to be accepted.

Comments:

AT&T is opposed to the sections of the bill transferring customer complaint responsibilities from the DPUC to the OCC as well as to eliminating the sunset on the collection of wireless complaints.

The process of having the DPUC handle customer complaints has benefited consumers, the DPUC, and service providers alike. AT&T works closely with members of the DPUC's customer unit to resolve telecommunications problems for specific customers. The company has a strong and healthy working relationship with the Department staff -- one which respects the needs and roles of customers, DPUC staff and companies. Since the DPUC has regulatory authority over AT&T, the company has a strong incentive to address concerns and complaints brought to its attention by DPUC staff. Because the DPUC is the "regulatory agency" and not a party or advocate of specific policies or agendas, its only goal is to resolve customer complaints in a way which is fair to all parties -- the consumer and provider alike.

In working closely with providers, DPUC staff can identify first-hand any larger or systematic problems which may be at the root of certain complaints. If a complaint or series of complaints are not settled to their satisfaction, the DPUC can, on their own motion, initiate a docket to take further action.

The procedures as they are handled today are working to the benefit of consumers. Consider that AT&T's "scores" on the consumer scorecard issued by the DPUC, which measures the number of complaints about the company, have improved every year for the last eight years; the total number of complaints about the company have declined 79 percent since the year 2000.

The proposal that is before you would upend this system and place the OCC -- an advocacy agency with an agenda which may not align with the interest of consumers at all times -- in the role of working with providers it quite often sues or takes other legal actions against. The OCC is, by law, a party to every docket. Yet this legislation would extend to the OCC a role that is best left to an impartial regulatory agency.

Today if a complaint brought to a company is not settled to the satisfaction of the DPUC, the DPUC can initiate a docket and the OCC becomes a party to that docket to represent the interests of consumer(s). The procedures in place ensure that all parties play their respective roles. The legislation before you today would upset the delicate balance and would likely lead to less informal resolution of complaints and more acrimony and proceedings which would not be in the best interest of consumers.

If the intent of the legislation is to ensure that the OCC is aware of issues that may be arising on the part of customers of a certain provider or type of provider, then we would suggest that the language in the bill be amended to require the DPUC compile reports on the types of complaints it is receiving and to share those reports with the OCC. Such reporting requirements should provide the necessary information the OCC may need in its advocacy role.

AT&T is also opposed to the elimination of the sunset on the collection of wireless complaints. When enacted, the idea of collecting complaints was designed to see if there were any major areas of complaint needing the attention of the legislature. Now, two years after being in effect, fewer than 450 complaints about all wireless companies were received the first year and less are expected in the second. That is a very small number when one considers that there are more than two million wireless phones in use in the state of Connecticut. AT&T does not believe that this collection of complaints is necessary in what is a highly competitive wireless market and where real hard facts of two years worth of data has shown that there are few complaints being made.

Conclusion:

AT&T opposes moving the customer complaint and resolution process away from the agency charged with serving as an impartial regulator in favor of having those functions handled by the OCC, an advocacy organization which isn't designed nor does it have a history of working to resolve issues short of litigation. In addition, AT&T opposes eliminating the sunset on the collection of wireless complaints as such collection is unnecessary.